

# 2020 DEMAND-SIDE MANAGEMENT ANNUAL STATUS REPORT

Electric and Natural Gas  
Public Service Company of Colorado

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## 2020 Demand-Side Management Annual Status Report

Public Service Company of Colorado (“Public Service” or “the Company”) continues to provide customers the choices and the tools they need to make educated decisions about their electricity use. Public Service helps customers manage their energy consumption through one of the largest energy-saving program portfolios in the United States. These energy efficiency programs help customers save money, benefit all of Colorado by avoiding emissions, and reduce the Company’s need to purchase, produce, and deliver additional energy. The Demand-Side Management (“DSM”) portfolio continues to be cost-effective while delivering significant energy efficiency savings and demand reductions.

This 2020 DSM Annual Status Report summarizes the natural gas and electric energy efficiency achievements made in 2020. This report also explores the challenges and lessons learned from a diverse and varied portfolio of programs, products, and pilots designed to provide customers control of their energy use.

### Report Highlights:

- **The DSM portfolio adapted to unprecedented challenges in 2020.** As the impacts of the COVID-19 pandemic spread through-out its service territory, Public Service adapted and evolved the operation of its DSM portfolio to find new and creative ways to deliver value to our customers. Despite these challenges, the Company’s electric energy efficiency portfolio achieved energy savings of over 466 GWh, second only to 2019’s record-setting achievement and exceeding the prior 5-year average savings by 6 percent while accounting for 93 percent of the energy efficiency goal of 500 GWh. The natural gas portfolio realized even greater success, achieving energy savings in excess of 106 percent of the target at 96 percent of budget.
- **All programs were cost-effective for both Electric and Natural Gas offerings.** The Business Program was cost-effective for both fuels, showing the strongest improvement in Natural Gas offerings with a Modified Total Resource Cost (“MTRC”) ratio of 3.56 compared to 2.69 in 2019. The Residential Program showed the greatest improvement in Electric offerings with an MTRC ratio of 3.61 compared to 2.57 in 2019. The Low-Income Program continued strong performance from 2019 as demonstrated by an MTRC ratio of 3.14 for Electric and 1.13 for Natural Gas.
- **A total of 231,594 tons of carbon dioxide (“CO<sub>2</sub>”) were avoided in 2020 through the natural gas and electric DSM achievements.** Additionally, more than 3.4 million tons of CO<sub>2</sub> emissions will be avoided over the lifetime of the installed measures. In terms of emissions avoided, the greatest contributors were Home Lighting & Recycling, New Construction, and Lighting Efficiency. The electric and natural gas portfolios also avoided 277,363 tons of sulfur oxide (“SO<sub>x</sub>”) emissions in 2020, with expected lifetime emissions reduction of just under 2.5 million tons.
- **Lighting programs continued to contribute to the majority of the electric energy savings.** Lighting programs contributed approximately 53 percent of the energy savings realized in 2020, down slightly from 54 percent in 2019 and more significantly from 66 percent in 2018.
- **New products and pilots expanded customer choice.** The Company continued to operate its Geo-targeting pilot in 2020 to explore the effectiveness of targeted DSM deployment in deferring investments in new distribution system upgrades. The Company also launched new offerings including Electric Vehicle Critical Peak Pricing, Peak Day Partners, and Small Commercial Building Controls to offer customers more opportunities to participate in Company’s Demand Response Program.

Looking ahead, the Company will continue to offer more cost-effective choices for customers as approved in the 2021-22 DSM Plan in Proceeding No. 20A-0287EG in an effort to help Coloradans exceed their energy, climate, and sustainability goals. New offerings in 2021 include beneficial electrification technologies and an expanded Natural Gas portfolio. The Company takes pride in its environmental leadership and commitment to managing customer bill impacts responsibly. These achievements also exemplify the Company’s commitment to customers and communities by providing a wide variety of choices to meet the diverse energy needs of Coloradans.